1 therefore, may suffer losses which may not be compensated by 2 money damages, or by any remedy at law; 3 (i.)The public interest will be damaged, because football games of general viewing interest to the 5 consuming public in the future, as well as the aforementioned 6 games during the 1991 season, will not be televised. 7 The minimum time necessary to get the UOP game 22. in the T.V. Guide is 10 to 14 days and we need a minimum of 8 9 approximately 12 to 14 days to promote the game. 10 That each and every of the foregoing facts are 11 known to me of my own personal knowledge and I could and would 12 competently testify thereto if called as a witness herein. Executed under the penalty of perjury on this 24th 13 day of October, 1991, in Visalia, California. 14

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I, LISE' M. MARKHAM, declare:

That I am the Vice-President, Station Manager and Telecasting Marketing Manager Pappas of General Incorporated, licensee of commercial television broadcast station, KMPH TV Channel 26, (hereinafter "KMPH"). broadcasts free, over-the-air television service to the cities of Fresno, Visalia, Bakersfield and other smaller cities and rural areas in the San Joaquin Valley of California. My duties include selling commercial time on KMPH to those wishing to advertise their products. Therefore, I must be familiar with the ratings of the programs we air over KMPH. Further, I need to be familiar with what competitors, such as SportsChannel, have to offer advertisers;

DECLARATION

- KMPH has over a more than ten (10) year period continuously broadcast Fresno State University football and basketball games;
- On behalf of KMPH, I directly participated negotiations with various advertisers leading to agreements

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with them for their purchase of commercials to be broadcast during Fresno State University ("FSU") football games;

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- One of those advertisers is Donaghy Sales, Inc. ("Donaghy"). Donaghy is the local distributor for Anheuser-Busch, Inc. ("Anheuser-Busch") products in Fresno and Madera As with other advertisers, I negotiated the Counties. agreement between KMPH, Donaghy and Anheuser-Busch pursuant to which they agreed to purchase commercials advertising Anheuser-Busch products. I am informed and believe and thereupon state that Donaghy agreed to contribute approximately 25% of the total cost of the advertising These commercials were and are to be broadcast agreement. during live telecasts of selected FSU football games on KMPH during the 1991 football season.
- 5. Donaghy through and with Anheuser-Busch agreed to purchase seven (7) thirty (:30) second commercials to be aired during each of the six (6) FSU home and away football games to be broadcast by KMPH:

Northern Illinois, Sept. 7, 1991, (home);
Washington State, Sept. 14, 1991, (away);
Oregon State, Sept. 21, 1991, (away);
New Mexico, October 5, 1991, (home);
New Mexico State, October 19, 1991 (away); and
Utah State, November 2, 1991, (away).

KMPH TV promised to deliver a 10 rating for males in the 18 to 49 age bracket. In other words, KMPH TV guaranteed that ten percent (10%) of the men in the market area, between the ages of 18 and 49 years, with televisions in the households, would be watching each of these telecasts,

- 2 -

averaged over the total number of six (6) telecasts. **KMPH** guaranteed a 10 rating based upon the average ratings for FSU football telecasts in 1990. That average was 10.3 as evidenced on the "1989-90 FSU Sports Ratings Recap", a true and correct copy of which is attached hereto as Exhibit "I" and incorporated herein by reference. Our average rating of 10.3 was higher than the single highest rated college game telecast by our competitors. KFSN carried an ABC College Football Special. That event received the highest rating for any of our college football competitors. That event received a rating of 9.3 as demonstrated on a document entitled "Pure Program Ranker", a true and correct copy of which is attached hereto as Exhibit "J" and incorporated herein by reference. By contrast, the highest rated FSU telecast on KMPH, during 1990, was the San Jose State game which received a 17 rating.

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- 6. The rate that they agreed to pay for each of these commercial spots was based primarily upon KMPH's guarantee of a 10 rating.
- 7. On or about September 9, or September 10, 1991, I telephoned Mr. Drayton Marsh, the Director of Marketing for Donaghy, advising him that due to a dispute between KMPH and Prime Ticket that KMPH would be unable to broadcast the Washington State and Oregon State games;
- 8. On or about October 7, 1991, I further advised Mr.
 Marsh that KMPH was considering two (2) different, two (2)

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game packages to replace the PAC-10 games. The first alternative package contemplated substituting the University of Pacific ("UOP"), November 9, 1991 (away) and San Jose State University ("SJSU"), November 23, 1991, (home) games for the two PAC-10 games.

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The second alternative package contemplated substituting the Long Beach State University ("LBSU") (home), October 12, 1991, and Cal State Fullerton, November 16, 1991 (home) games;

- 9. Mr. Marsh informed me that the second alternative package which included the Long Beach State and Fullerton games was not an attractive package in that they were both home games, against relatively weak competitors;
- 10. I concurred with Mr. Marsh's judgment that the UOP/SJSU package was vastly superior. My judgment was based upon the following factors: the traditional rivalry between FSU and UOP, and the fact that it is an away game, and; that the San Jose State game, although a home game, offered a telecast of another traditional rivalry that might decide the conference championship. I also believed that due to the scheduling confusion caused by the inability to broadcast the WSU and OSU games that there was insufficient time to adequately promote the Long Beach State game, which was an additional reason that game was so unattractive.
- 11. FSU football games are very popular among both our viewers and advertisers as demonstrated by our 1990 ratings

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(Ex. I). Undoubtedly, that is why Continental CableVision and SportsChannel have elected to "kick off" their newly cemented combination with the FSU vs. UNLV football game. They carried that game on Saturday night, October 26, 1991. They could have chosen, instead, a PAC-10 game or another event offered by SportsChannel. However, they announced on October 24, 1991, the creation of their relationship and promoted the FSU vs. UNLV game as their "kick off" event. A true and correct copy of the press release issued by Continental CableVision and received by KMPH is attached hereto as Exhibit "K" and incorporated herein by reference. FSU had the lowest home attendance in approximately ten (10) years last Saturday night while Continental Cablevision and SportsChannel carried the game on cable.

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12. Attached hereto as Exhibits "L" and "M" are true and correct copies of two (2) contracts between Creative Sports Marketing, Inc. and the Big West Conference, dated January 31, 1989 and April, 1990, respectively. These contracts have been maintained as business records at KMPH in the normal course and scope of our business which includes becoming and remaining knowledgeable about our competitors.

Each and every of the foregoing facts is known to me of my own personal knowledge and I would and could competently testify thereto if called as a witness in the above entitled matter.

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1	Executed under the penalty of perjury on this 28 date
2	of October, 1991, in the City of Fresno, California.
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EXHIBIT 7

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

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PAPPAS TELECASTING, INC., a California corporation, and as Public Trustee,

Plaintiff,

vs.

NO. CV-F92-5589-OWW

PRIME TICKET NETWORK, a)
California Limited Partnership,)
CVN, INC., THE PACIFIC-10)
CONFERENCE, a California /)
non-profit association, CAPITAL)
CITIES/ABC, INC., a New York)
Corporation, and DOES 1 through)
20, inclusive,

Defendants.

---000---

DEPOSITION OF THOMAS C. HANSEN

VOLUME I

(Pages 1 - 159)

Wednesday, November 3, 1993

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CERTIFIED

REPORTED BY: LAURA A. HOBIZAL, CSR NO. 9711

1 documents that Mr. Hauser gave me and declarations and 2 possibly other pleadings in this case, did you look at any 3 other documents in preparation for your deposition today? 4 Α. Not that I recall. Let the record reflect that 5 MR. CRIPE: 6 Mr. Hauser has given me a memorandum dated August 9, 1991 7 to the Pac-10 men's administrative committee from Kirk Hendrix, which I will mark in the right-hand corner as 8 9 one. 10 A letter and attachments, which apparently are copies of the amendment to the Pac-10/Prime Ticket 11 contract, dated September 6th, 1992, I will mark as two. 12 MR. HAUSER: The first document that you 13 14 mentioned, I think there are two of them clipped 15 together. 16 MR. CRIPE: Excuse me, you're correct. 17 first document is the August 9, 1991 memorandum. a second memorandum dated May 21, 1991, and I'll mark that 18 as 1a. 19 20 The letter dated September 6th, 1990 and 21 attachments is marked as Exhibit 2. It is a letter to 22 John Severino from Thomas Hansen with attachments as 23 indicated. 24

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Next is a letter of transmission from John Hauser to Messrs. Hansen, Delany, and Lulla dated November 15, 1989, enclosing a copy of the 1989 through 1996 regular

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There is

1 season football television rights contract. MR. HAUSER: You'll find at the end of this that 2 3 there's an amendment to that same agreement and a letter 4 relating to it. 5 MR. CRIPE: Next I'll mark as Exhibit 4 a 6 document entitled Agreement, which appears to be an 7 agreement between the Pac-10 and the College Football 8 Association respecting so-called cross-over games and 9 perhaps other issues. It's dated June of 1991. It's a 10 three-page document. Big Ten is also a party to that. 11 MR. HAUSER: 12 Excuse me, you're correct. MR. CRIPE: 13 Next we'll mark as Exhibit 5 a March 27, 1991 memorandum to the Pac-10 television administrators from 14 Kirk A. Hendrix. 15 16 Next we'll mark as Exhibit 6 a document entitled 17 First Amendment to Pacific-10 Conference/Prime Ticket 18 Network Cable Television Agreement, effective August 30, 19 1990. 20 MR. HINMAN: August 3rd actually, I think. You're right. What did I say, 30? 21 MR. CRIPE: 22 MR. HINMAN: Yeah. 23 MR. CRIPE: Excuse me. It's August 3rd. 24 Next we'll mark as Exhibit 7 the Prime Ticket 25 Network/Pac-10 contract summary for the seasons 1989-90 to

1994-95 with an option through 1998-99.

Next is Exhibit 8.

MR. HAUSER: Again, the one you marked as seven, I guess, has attached to it the actual Prime Ticket agreement as well.

MR. CRIPE: Okay. Exhibit 8 is a letter to Mr. Severino dated September 6th, 1990 from Thomas C. Hansen transmitting "original copies of the amendment to the Pac-10/Prime Ticket contract to accommodate our agreement with ESPN."

We'll mark as Exhibit 9 Mr. Hansen's declaration that he submitted in support of the Pac-10 motion for summary judgment.

Counsel, could we stipulate to foundational matters as to these documents so I don't need to go into all of that stuff? They're business records of the Pac-10 kept in the normal course and scope --

MR. HAUSER: That's correct. We'll so stipulate.

MR. CRIPE: Thank you.

- Q. Prior to your deposition today, have you had any conversations with any individuals purporting to represent any of the other parties in this litigation, including Prime Ticket Network, Capital Cities, ABC, ESPN, any other parties in this litigation?
 - A. That is, counsel for them?
 - Q. Counsel or other representatives concerning this

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- 2 A. Yes, I have.
 - Q. With whom have you had such discussions?
 - A. I spoke to David Downs of ABC.
 - Q. How do you spell that?
- A. David Downs, D-o-w-n-s. He's vice president for programming at ABC Sports.
 - Q. And when did you speak with him, sir?
- 9 A. This morning.
- 10 Q. Where were you when you spoke with him?
- 11 A. At my home.
- 12 Q. And where was he?
- 13 A. In his office.
- 14 Q. How long did the conversation last?
- 15 A. About ten minutes.
- Q. And I would like for you to tell me what you said to him and what he said to you.
 - A. What I said to him was in reviewing papers yesterday, we found a game that ABC had televised, Notre Dame-Michigan, on the September 14, 1991 Fresno State-Washington State weekend, I believe. Up until that time, yesterday that is, we were not aware -- I can't speak for everybody, but I was not aware that they had televised a game on that date. None of the papers that I had seen revealed that.
 - Mr. Hinman had checked the television log of

Fresno for that particular date, the 14th and the 21st, actually both dates, and he found it there. In talking with me yesterday, he mentioned that. It does not show here, and I couldn't understand why it didn't show.

I talked to Mr. Downs -- first of all, yesterday we checked and found out from ABC that, yes, they had televised it, so today I called Mr. Downs and said, "Did you select it in the normal process? Why were we not aware?" You've seen these three papers where Mr. Hendrix is advising Pac-10 members that there will be certain ABC games televised and Prime Ticket games televised. That doesn't appear on any of our papers. "Why did you folks, ABC, pick that late or what happened?" He looked in his files and found letters to us early in the year of January and March when they fulfilled their obligations to notify us of the preliminary schedule and then actually September games, first three weeks of September games. They had notified us, according to his records, which I have no reason to doubt.

I don't know if Mr. Hendrix, who served as our TV officer for one year, thought that because it was a Big
Ten game as opposed to a Pac-10 game, we didn't have to honor that as far as televising local games against it, but, for whatever reason, we didn't list that. I called Mr. Downs and said, "Did you pick this late?" He said, "Let me look at my records." He looked at his records,

and he had the letters that he had sent to us notifying us that that game was to be televised.

- Q. Is that the sum and substance of the conversation?
 - A. Yes, sir.

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MR. HAUSER: Gary, let me say this. This won't do any harm. The whole thing arose when in reviewing Mr. Hansen's declaration yesterday, it appeared that one thing he said in there might be in error and that has to do with matters having to do with the television schedule for that date. Mr. Hansen can explain that certainly better than I can.

THE WITNESS: Well, we had said that a local telecast could be conducted in the 12:30 time window of that date Pacific time. Indeed it could not have been, but the advice we gave to our members was that it could be, so it was relying on the documents that Mr. Hendrix had produced. I said in my declaration that they could start at 12:30 and that's in error. It would have had to be, I think, 9:45 a.m.

MR. CRIPE: Q. I'd like to direct your attention to paragraph eleven on page six of your declaration, which has been marked as Exhibit 9. There is a sentence there, and I quote, "Thus, the FSU-WSU game could have been telecast live commencing at any time up to 12:45 or after 6:15," and then the sentence goes on. Was

that the phrase which you believe now to be in error? 1 2 That's correct. And the reason that that phrase is in error is 3 0. 4 because of the exclusivity agreement between the Pac-10/Big Ten and ABC and because a game had been 5 6 selected by ABC, specifically the Notre Dame-Michigan game 7 to be shown during the exclusivity window? That is correct. 8 Α. 9 And what time was that game scheduled to commence Pacific time? 10 11 Α. 12:30 Pacific. 12 Q. And so, on that particular day, it would be 13 accurate, would it not, that from 12:30 until 14 approximately three and a half hours later, except for 45 minutes on the end and 45 minutes at the beginning, no 15 other Pac-10 team could be televised or cablecasted during 16 17 that window? 18 That is correct. Α. 19 And that would also be true of any Big Ten team? Q. 20 Α. Yes. MR. HAUSER: Well, you're referring to home 21 22 games? 23 THE WITNESS: Yes, home games. 24 Just to clarify that. MR. HAUSER: 25 MR. CRIPE: On the FSU-WSU game day, do you Q.

recall what window Prime Ticket had selected?

time isn't the burden that it obviously would be here.

- Q. So those would be games that, for example, on the East would start at 12:45 but would be televised to the West commencing at, say, 9:45 in the morning?
 - A. That is correct.

- Q. Has the Pac-10 ever, to your knowledge, televised or live cablecasted a home game which commenced between the hours of 9:00 in the morning and 9:45?
 - A. I don't believe so.
 - Q. And why is that, sir?
- A. That would be a very early hour at which to have a football game played. We have gone as early as 10:30, but not as early as 9:45.
- Q. Included in the considerations, I take it, would be less appetite by advertisers for those games starting so early?
- A. No, I think it would be very difficult to have your stadium full of fans arrive at 9:00 in the morning.
- Q. Do you know whether or not or are you aware of any studies or any data on the issue of whether or not advertisers would find games starting at between 9:00 and 9:45 in the morning on the West Coast to be a palatable potential alternative for them?
 - A. I'm not aware of any studies.
- Q. Are you aware of any studies that demonstrate or purport to demonstrate during what day parts ABC, for

Oregon State?

- A. That's correct.
- Q. Does the Pac-10 Conference encourage its constituent members to televise games on a local basis?
- A. I think we're somewhat neutral on that. Those are really institutional matters. It doesn't seem to me that we have a history or record of urging that various institutions televise for various reasons, and so it wouldn't be for us to urge them one way or the other.
- Q. Well, one of the significant purposes for which the Pac-10 exists, as you indicated in your declaration, is to, in effect, help increase the exposure of the conference and its constituent members to the viewing public in order to assist in recruiting and fund-raising and bringing more and more prestige to the constituent universities, correct?
 - A. Yes.
- Q. And that happens, in your judgment, when a game is televised either on a national basis or a regional basis, correct?
 - A. That is correct.
- Q. And the same principal would apply to a local broadcast, would it not, on a lesser scale perhaps?
 - A. To a lesser scale.
- Q. But the principals are the same. I mean, if you have people who are watching, for example, potential

- A. That is correct.
 - Q. Is Mr. Hendrix still employed by the Pac-10?
- A. No, sir.

- Q. By whom is he employed, if you know?
- A. He is the executive director of the Detroit

 Parade Association. That may not be the exact title, but

 his organization -- Detroit puts on the annual

 Thanksgiving Day Parade, and he is the executive director

 of that organization.
- Q. And is Mr. Muldoon still employed by Pacific-10 Conference?
 - A. Yes.
 - Q. In what capacity is he now employed?
 - A. Assistant commissioner for public relations.
- Q. Sir, directing your attention to your declaration, page two thereof, commencing at line six, I quote, "Under its constitution, 'the purpose of the Pacific 10 Conference is to enrich and balance the athletic and educational experiences of student-athletes and its member institutions, to enhance athletic and academic integrity among its members, and to provide leadership in support of its basic values.'" How does that purpose differ from the purpose of the NCAA, as you understand it, sir, if at all?
- A. Well, I have not seen a statement of purpose of the NCAA for some time, so what I'm about to say is

speculative. In general, our goals coincide with those of 1 2 the NCAA in that we're trying to promote athletic 3 enterprise within educational context at our member institutions. You've been up for consideration, as I understand it, to become the new director of the NCAA; is that 6 7 correct? I was nominated. I am not a candidate. 8 Α. 9 And you worked for the NCAA for a number of Q. years, ten years or so? 10 11 Α. Sixteen. So you're very familiar with the purpose and the 12 function of the NCAA; fair enough? 13 With the functions and the general purpose, not statement purposes. Can you give me any material differences that you Q. can think of as you sit here today between the purpose of the NCAA and the purpose of the Pac-10 Conference? Well, you have to start with the fact that that's Α. a national organization and we're a regional or a big Other than that, it's to enhance the athletic enterprise of those institutions, of the institutions

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The NCAA has many functions guite beyond what the Pac-10 has in the area of national recordkeeping. creates playing rules, which we don't do, it has extensive

which comprise the membership.

rules governing eligibility of students and many other functions governing team eligibility for championships, it has an enormous championship activity that far transcends what we do, and that's one of its most complex activities, and it deals with issues such as student athlete safety and drug education, things of that nature, that we don't get into except as a small adjunct of what the NCAA may be doing.

Obviously, as a member of the conference, we're a member of the NCAA, so we follow up on some of those duties as a member, but it far transcends in many ways what we do.

- Q. Thank you. You state that "In furtherance of this purpose, the members of the Pac-10 designate the conference to enter into media contracts for the television of Pac-10 sanctioned intercollegiate athletic events." Is there a charter or an agreement pursuant to which the Pac-10 Conference has its marching orders with regard to negotiations or is there something that empowers the Pac-10 Conference to do that?
- A. In the first step, yes. In our constitution, it says that we may, upon vote of the members, represent them in achieving a television program. If they have voted to have us do that, then each of them must participate in that.
 - Q. And that constitution was adopted when?

You don't remember anything like that? 2 Q. A. No. sir. 3 Do you recall the phrase "a national series time 4 Q. 5 period" at all? Α. 6 No. 7 While you do that, excuse me for a moment. MR. CRIPE: Sure. 9 (Whereupon a short recess was taken.) 10 MR. CRIPE: Back on the record. 11 Why was it that you were at the head table during 0. 12 this meeting on July 10, 1984? Well, according to the document that we looked 13 Α. at, it said I was a member of an ad hoc committee or a 14 subcommittee or something. 15 16 0. And that was the football television planning 17 subcommittee, is it? 18 It's referred to that someplace and then we're introduced as an ad hoc, so I don't know what it was. 19 20 Based on your review of these notes of that Q. 21 proceeding, sir, you were on the committee that had 22 drafted these questions and answers, were you not? I don't know if the committee had done that. 23 24 committee I believe -- it indicates we only looked briefly at the first couple of pages. The committee had drafted a 25 26 plan and these were questions and answers about the plan.

I don't remember that.

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- Q. It says "Prepared by the NCAA Division I-A Football Television Planning Subcommittee."
 - A. I hadn't seen that.

- Q. That's the subcommittee you were on as you reviewed these notes, correct?
 - A. It appears that that's the case, yes.
- Q. I thought maybe I missed something there.

 Notwithstanding the fact that you were on the subcommittee that drafted Exhibit 11, you don't know what the question and answer to number six is all about?
 - A. That is correct.
- Q. I'd like to show you the second page, sir, and ask you to read to yourself question number seven. Do you have any understanding of that question and answer?
- A. Well, it just simply says that, no, the NCAA may not place limitations on any time period other than the national series time period. We talked about the national series time period. I don't remember what that means, but that's what this particular question and answer says.
- Q. Wasn't the national series time period a single three and a half hour exclusivity window?
- A. I don't remember.
- Q. Take a look at question number eight and the answer to number eight. Read that.

overlap proceedings?

- A. Yes, sir.
- Q. To the best of your recollection, have those provisions changed in the 1992-93 negotiation which led to the contract through the year 2000?
- A. I think the Big Ten part of that changed in some manner, but I can't remember. Obviously it was more of an interest to them: The 45 minutes did not change.
- Q. Now, with whom were your negotiations at ABC in 1984?
- A. To the best of my recollection, the primary parties there were Jim Spence, who was the number two person -- I believe his title was something like executive vice president of ABC Sports -- and Charles Lavery. I have no idea what his title was.
 - Q. How about 1986?
- A. I believe Mr. Spence was still there, but I'm not positive. At some point about that time, somewhere in there, there was a change in the ABC Sports management.

 Dennis Swanson came in as president, Mr. Spence a year or two later left, and Steve Soloman became primary negotiator. David Downs now is the number two person and was a participant in the most recent negotiations.
- Q. So am I correct that you believe the principal individuals with whom you would have negotiated in 1986 were either Mr. Spence or Mr. Soloman and you're just

1 | unclear which of those two it was likely to have been?

- A. I think Dennis Swanson would have been involved.

 Had he come aboard, Mr. Soloman would have assisted

 Mr. Swanson. Mr. Swanson has been a participant in some

 phase of the negotiations since he became president of ABC

 Sports.
- Q. And so then, I take it, in the '89 negotiations, the principal players for ABC would have been Mr. Swanson, Mr. Soloman, and possibly Mr. Downs?
 - A. Yes, those three, I believe.
- Q. And, in 1991, when the amendments were made, were they also the principal negotiators?
 - A. Yes.

- Q. In 1992-93, who were the principal negotiators for ABC?
- A. Swanson at some point in here, and those negotiations were conducted over some period of time. At some point in the process, I believe Mr. Soloman left and then Mr. Downs -- Mr. Downs was probably most consistently our contact.
- Q. Is it accurate to state, sir, that ABC has consistently, since 1984, insisted upon time period exclusivity?
 - A. Yes.
- Q. And is it correct that they insisted that there would be time period exclusivity and that the Pac-10